

Washington, DC - Congressman Maurice Hinchey has joined several of his U.S. House colleagues in introducing the Postal Service Protection Act - legislation designed to alleviate the U.S. Postal Service's (USPS) immediate financial crisis and prevent the layoff of thousands of USPS employees nationwide.

"The Postal Service is considering laying off nearly 25,000 workers, eliminating the Saturday delivery of mail and increasing the time it takes to receive a letter from two to three days," said Hinchey. "These are changes that would have a negative effect on our economy, and Congress needs to take action now to alleviate the financial crisis the Postal Service faces. The Postal Service Protection Act would accomplish that goal."

The Postal Service Protection Act would:

- Fix the Postal Service's immediate financial crisis by allowing the USPS to recover the overpayments it made to its retiree pension funds — both the \$7 billion overpayment to the Federal Employees Retirement System (FERS) and the \$50 billion to \$75 billion overpayment to the Civil Service Retirement System. In addition, the bill would eliminate the unique requirement that the USPS pre-fund 75 years worth of future retiree health benefits in just 10 years. No other agency is required to pre-fund these benefits.
- Establish new ways to generate revenue by ending the prohibition on USPS providing non-postal services, such as providing notary services, new media services and issuance of licenses; contracting with state and local agencies to provide services; shipping wine and beer, and allowing the USPS to provide services that mail systems in many other countries provide, including digital services.
- Create a blue-ribbon commission composed of entrepreneurs, representatives of labor and small businesses to provide recommendations on how the Postal Service can generate new revenue to succeed in the 21st century.
- Prevent the closing of rural post offices by giving the Postal Regulatory Commission (PRC) binding authority to prevent closures based on the effect on the community and employees. The

bill would also prohibit USPS from considering whether a post office is turning a profit when making the decision to conduct a feasibility study for closure.

- Protect six-day delivery and protect mail-processing facilities by requiring strict standards for delivering first-class mail.

Hinchey and 37 other House members also sent a letter today to Postmaster General Donahoe opposing the planned closing of nearly half of the nation's 500 mail processing and distribution centers, including those in Binghamton and Newburgh. Last week, Hinchey wrote to the Postmaster General in opposition to the proposed closure of the Binghamton and Newburgh facilities. The full text of the letter opposing the nationwide closure of mail processing and distribution centers follows:

December 8, 2011

The Honorable Patrick Donahoe
Postmaster General
U.S. Postal Service
475 L'Enfant Plaza, SW
Washington, D.C. 20260

Dear Postmaster General Donahoe,

The United States Postal Service (USPS) recently announced it would close roughly 252 of 500 mail processing centers. It also announced unprecedented cuts to first-class mail next spring that will slow delivery, and for the first time in 40 years, will eliminate the chance for stamped letters to arrive the next day. We strongly object to the decision to slow first class service and close processing centers.

We appreciate USPS's attempt to reduce costs but the USPS is an essential service for the public and reductions would come at the expense of people who regularly depend on these services. The changes may provide short-term relief, but ultimately it would be penny wise and

pound foolish because it would push more businesses onto the Internet. Americans rely on the USPS and the access to services to buy stamps and send packages. The elderly and underserved communities have a tradition of using the USPS and many do not have access to a computer to use email or social media websites.

First-class mail in the United States typically takes one to two days to arrive, but the changes would lengthen that to three days. It would slow everything from check payments to Netflix's DVDs-by-mail, add costs to mail-order prescription drugs, and threaten the existence of newspapers and time-sensitive magazines delivered by postal carriers to underserved communities. A birthday card mailed first-class to a relative or friend could arrive a day or two late, if people don't plan ahead.

As representatives of Congressional districts where our constituents depend on the services of the United States Postal Service, we strongly object to the decision to slow first class service and close processing centers.

Sincerely,

Congressman Maurice Hinchey